THE REGULAR SESSION OF THE BOARD OF COMMISSION OF UNICOI COUNTY, TENNESSEE JUNE 24, 2013

BE IT REMEMBERED that the Unicoi County Board of Commissioners met in Regular Session at the Unicoi County Court House on Monday, June 24, 2013, at 6:00 p.m. Present and Presiding, the Honorable Greg Lynch, County Mayor, the Honorable Mitzi Bowen, County Clerk, Doug Shults, County Attorney, and the following Commissioners:

ROLL CALL: Esq. Dwight Bennett "Yes", Esq. Kenneth Garland, "Yes", Esq. Mickey Hatcher, "Yes", Esq. Bill Hensley, "Yes", Esq. James Howell, "Yes", Esq. Loren Thomas, "Yes", Esq. Gene Wilson, "Yes", Esq. Sue Jean Wilson, absent.

7- Present

1- Absent

Sheriff Mike Hensley opened the meeting with the Pledge to the Flag and the Prayer was led by Mr. Ed Herndon.

Agenda Item #4
Recognize Visitors and Citizens

Mr. Gary Bailey addressed the commission concerning Love Chapel Elementary School stating in the past months the property has only been mowed twice. Mr. Bailey also asked if anyone on the commission has been approached by the school board on what they plan or do not plan to do. Mr. Bailey stated it is strange to me that we abandon a property with the value Love Chapel School has, not only in dollars and cents as real estate, but to the community and residents of the south end of the county. And nobody knows anything about it until the last bottle is kicked. Then the taxpayers hear about it after it is done. Esq. Bill Hensley stated he had asked the County Attorney to look in to and find out when and if that property becomes county property. County Attorney Doug Shults stated it is school board property. Esq. Bill Hensley asked if when it is ceased to be used as a school, does it revert back to the county? Mr. Ed Herndon stated no, they have to transfer it back to the county. Mr. Doug Shults stated as long as they have some use for it, it's their property. Mr. Bailey asked, Mr. Mayor you are part of this committee, is that correct? County Mayor Greg Lynch stated yes. Mr. Bailey then asked is it correct that you stated to the papers that you have questioned several residents in the Love Station Community and these residents indicated to you that they were afraid to live in that area and were ready to sell their homes just to get out of there. Mayor Lynch stated, I didn't question them, I had several call me. Mr. Bailey asked the Mayor if he would care to give him the names of those people. Mayor Lynch stated he would have to go back and look at his notes. Mr. Bailey stated he would like to know who they are since it didn't make public record. Mr. Bailey then stated he has also contacted several residents in the Love Station area, as he owns property there, and has not found one that wants to sell their property to start with and certainly not to FEMA for the price they are getting out of that. Mr. Bailey continued saying he has a problem with getting out any opinion of the general public that opposes the political agenda of this county. Mr. Bailey stated he thinks the general public needs to be heard from also, and I am a part of that as I am a taxpayer. All I am hearing is we're going to abandon that property and leave it; and we are trying to get FEAM in to condemn it and condemn the property around it and they are going to buy everybody out. Mr. Bailey stated he doesn't know what kind of deal that shakes down to, but he owns property right beside the school property and definitely does not want the price FEMA will pay for his property. Mr. Ed Herndon stated he could answer the question about the price FEMA is paying. It pays the price of the appraisal value of the property at the time just before the incident that is what they (FEMA) will pay, if they agree to do it, which they have not done. Mr. Bailey responded, exactly what I am saying Mr. Herndon, that's not the price that is equivalent to what most people would want to get for their property if they are trying to sell in the real market. Mr. Herndon stated, you

are absolutely right, but that's the way they would precede. Mr. Bailey stated that is why we don't want it. Mr. Bailey continued stating he had one other point to make to this commission, and it will be made to the school board, as he has already tried to get it across to them; there are companies that pump grout in the ground, fill holes and sinkholes such as we have in Love Station at Love Chapel School and make that ground safe. And when we make the ground safe again it will be re-insurable, it can be over, left up to the school, and it will save the taxpayers of the county approximately twenty million dollars.

Agenda Item #5
Approve Minutes of Prior Session

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. Gene Wilson to approve the minutes of May 28, 2013 (Regular Session).

7-Yes

0-No

1-Absent

Motion approved. (Copy in file)

Agenda Item #6

Recognize Ronnie Banner- to close Florida Avenue

Motion made by Esq. Gene Wilson, said motion seconded by Esq. James Howell to table to the planning commission. Mr. Ronnie Banner addressed the commission concerning the closure of Florida Avenue. Esq. Mickey Hatcher asked Mr. Banner if he was actually using this as a drive way. Mr. Banner stated yes. Esq. Mickey Hatcher stated that Mr. Banner had spoke to him some time ago concerning the matter. Esq. Mickey Hatcher then went out and observed the property and looked at the property line and so forth. Esq. Mickey Hatcher stated he then contacted him back and they were in agreement that if a release from Erwin Utilities could be obtained then that would close the ally way. Esq. Mickey Hatcher recommended that it be approved, based on the information. County Attorney Doug Shults stated that when roads are open or closed it usually goes through the planning commission, then the county commission. Mr. Shults also stated that you also have every adjacent property owner signs a release that they are in agreement as well. Esq. Mickey Hatcher then stated since there is some question about it; it should probably be referred back to the tax paying committee and make sure everything is legit before we move forward with it.

Motion mad by Esq. Dwight Bennett, said motion seconded by Esq. James Howell to table.

1-Yes

6-No

1-Absent

Motion fails.

Agenda Item #7

Review Contribution Agreement between Mountain States Health Alliance, Unicoi County Memorial Hospital and Unicoi County

Esq. Mickey Hatcher stated this has been talked about earlier and it is just a matter of information, so I don't know that we need to take action tonight. Esq. Gene Wilson stated he is not in favor of spending \$75,000.00 for someone to go on a diet. County Mayor, Greg Lynch stated he put down some things that would be beneficial to the community; the purchase of a building for the 911 center, ambulance authority, programs to reduce obesity, and maybe smoking sensations, because there may be some grant money available. Esq. Mickey Hatcher stated there is going to be a call meeting of the

Ambulance Committee to discuss this, so why not bring this up at that time. In the mean time, the mayor is going to go ahead and find out if we can use some of this money to apply towards the health care for our employees.

Agenda Item #8

Vote to approve Acknowledgement of Contribution Agreement from item #7, with additional language as needed

No action goes along with agenda item #7.

Agenda Item # 9

Recognize Mitch Manuel or Teresa Simerly- Delinquent Tax Sales

Mr. Mitch Manuel, Tax Attorney for Unicoi County and the Town of Erwin, addressed the commission to update them on the sale of property in the county. There will be a sale on July 15, 2013, in this very courtroom. The sale is a result of a judgment and order of sale through the Chancery Court last month. The sale will cover tax years 2003-2009 but will also collect the taxes for the years 2010-2012 on the parcels to be sold; this will bring those parcels current. Mr. Manuel continued stating, once sold Tennessee law does provide a one year right of redemption, allowing the original property owner to pay the interest, the tax, the fees, court cost and attorney's fees, to have that property returned to them. Of course all sales are subject to the confirmation of the Unicoi County Chancery Court. There are fourteen parcels that are currently scheduled to be sold. Mr. Manuel stated the purpose of appearing this evening is so the commission can determine if they want the Clerk and Master to enter a minimum bid on behalf of Unicoi County in the event that no other bids are received. If so the county would need to write a check payable to the Unicoi County Chancery Court in the amount of the bid. Esq. Mickey Hatcher asked what would be the benefit for us to do that; one of the properties may be encumbered to three times what it is worth anyway. Mr. Manuel stated the county has superiority above all others, with the exception to one particular piece, which Mr. Manuel believes has a federal lien on it. Esq. Mickey Hatcher asked what happens if the individual purchases that, do they assume that lien. Mr. Manuel stated yes. Esq. Mickey Hatcher asked the county would not, but that person would. Mr. Manuel responded the county would be subject to that federal lien as well on that one piece of property. Esq. Mickey Hatcher asked if the commission could exclude parcels or we can say yes go ahead on certain parcels. Mr. Manuel stated yes, you can pick and choose, that is correct. Esq. Gene Wilson asked why it took ten years to do this. Mr. Manuel stated usually it is a situation beyond our control, most commonly bankruptcy. Depending on the type of bankruptcy they file it can take several months to several years. Another issue that has occurred in the past is environmental issues. We certainly don't want to do anything that would cause the city or the county to be liable for anything further down the road. Mr. Manuel stated that currently there is a tax sale every six to seven years. Mr. Manuel has spoke with Mr. Paul Berry several times and they are trying to get to the point where they can have the sales more often, every two to three years. However, with the county population and collection rates, it just not needed at this point. Esq. Dwight Bennett asked if the minimum bid is something Mr. Manuel will suggest or if it is something the commission comes up with, or how is a figure determined. Esq. Mickey Hatcher stated what he read the bid would be the tax and attorney fees accumulated up to this point. Mr. Manuel stated that is correct, that includes publication cost. Esq. Bill Hensley asked where we stand on line of payment. Mr. Manuel stated once the County is the owner of a piece of property they can sell it or do what they want with it. Mr. Manuel continued, stating that another benefit would be that during the one year right of redemption the original owner has to come forth and pay those amounts, they would repay the county any amounts that they bid in, that original owner would also pay a 10% interest on those funds as well. Esq. Mickey Hatcher asked Mr. Manuel if it is his recommendation for the county to authorize the payment for all of the parcels other than the one with a federal lien. Mr. Manuel stated that would be his recommendation. Esq. Dwight Bennett asked

Mr. Manuel who pays him. Mr. Manuel responded once the lawsuit is filed through the Clerk and Master, he receives 10% of any collections.

Esq. Gene Wilson exits the meeting.

Agenda Item #10

Vote to approve minimum bid on delinquent tax parcels to be sold

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. Bill Hensley to approve minimum bid on delinquent taxes for Mrs. Teresa Simerly and Mr. Manuel to authorize the payment other than the property with a federal lien on it. County Attorney Doug Shults asked Mr. Manuel if the county is paying off the Town of Erwin, or are they doing their minimum bid too. Mr. Shults stated the way he reads the statue is almost like the bids occur without any action on our part. Mr. Manuel stated he believes the Town of Erwin is slightly different than the Unicoi County. Unicoi County has to actually affirmatively vote and advise her (Mrs. Teresa Simerly) to make that minimum bid. Mr. Shults asked if we are paying off the town of Erwin. Mr. Manuel stated he believes there are two of the fourteen parcels that have a lien through the Town of Erwin on them. Mr. Shults stated he is talking about the city property tax. Mr. Manuel stated yes, that is correct.

6-Yes

0-No

2-Absent

Motion approved.

Addendum to the Agenda Item #1

County Commission to make determination as to the County contribution into the health savings account for those employees that select the high deductible plan

Motion made by Esq. Dwight Bennett. Motion fails due to a lack of a second.

Addendum to the Agenda Item #2

County Commission to make determination as to the County contribution for family or dependent health coverage

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. Loren Thomas to determine the amount the County Commission will contribute for family or dependent health coverage. Esq. Loren Thomas stated he would like for the county's portion of the family insurance to be in the neighborhood of 85%, which is equivalent to \$1,200.20 and the employees portion \$211.16. Esq. Thomas continued stating we've had several different numbers thrown out on the table, with Dr. Hatcher's being the lowest at \$820.00 as the county's portion which is slightly less that 60%, so we have a range from about 60% to 85%, as far as the county's portion. Esq. Loren Thomas stated we would pay an additional \$170.00. Esq. Bill Hensley stated he thinks it should be somewhere in the neighborhood of 80% for the family plan. Esq. Mickey Hatcher stated that would be \$1,129.60. Esq. Loren Thomas stated yes and the employee would pay \$282.00. Esq. Loren Thomas asked to have Esq. Dwight Bennett, Esq. Kenneth Garland, and County Mayor Greg Lynch's recommendations out on the floor, that way everyone knows where everybody stands. Esq. Dwight Bennett stated he had said \$1,000.00 earlier, but he wants to be flexible, that's what we are here for. Esq. Dwight Bennett stated he would go up to \$1,100.00. Esq. Loren Thomas stated he is using 80%. Esq. Mickey Hatcher asked Esq. Loren Thomas if he would lock in on a dollar figure. Esq. Loren Thomas stated yes sir. Esq. Mickey Hatcher stated he is not opposed to that and would like to do everything he can for the employees, however he feels that is a high figure. Esq. Dwight Bennett asked if everyone is in agreement on \$520.00 on individuals. Esq. Mickey Hatcher stated he didn't want to take something from the other employees; he doesn't want to take from one place to make it up somewhere else. Esq. Dwight Bennett asked commission how

everyone felt about the matter of an individual having insurance and their spouse has insurance, and they drop coverage; are we in agreement to give them whatever figure we come up with. Esq. Loren Thomas stated he believes that is something to discuss at a later date. Esq. Dwight Bennett stated we have to do that now. Esq. Loren Thomas asked why it had to be done now; I don't think that is what we are discussing. Esq. Dwight Bennett stated it is in line with insurance, they will either take insurance at this time or they will drop it until next year. Esq. Mickey Hatcher stated employees would sign up tomorrow, so they need to know if they are going to get money back in their pocket. Esq. Dwight Bennett stated if an individual has it and they drop it, say we give them \$200.00 that still saves the county. Esq. Loren Thomas stated he would like to get on that subject in just a minute. Esq. Mickey Hatcher stated let me make sure I know what is going on. You said we are doing \$520.00 currently on an individual and we are adding an additional \$170.00 for a family, so we are already paying \$690.00.Esq. Loren Thomas responded that is correct. Esq. Loren Thomas then asked Esq. Kenneth Garland and Esq. James Howell where they stand. Esq. James Howell stated he would like to see where the money is going to come from, that's the only problem. I'd like to do it all. Esq. James Howell asked if we add another \$300.00 that would be getting close to \$1,000.00. Esq. Bill Hensley asked if the commission could revisit if we need to. Esq. Mickey Hatcher stated he believes they can as long as it is done before the 1st (of July). Esq. Loren Thomas stated we are currently paying \$600.00 a month, I recommend \$1,200.00, Esq. Dwight Bennett and Esq. Bill Hensley recommends \$1,100.00, Dr. Hatcher's at about \$800.00. Esq. Mickey Hatcher stated he would revise his and go up to \$1,000.00. Esq. James Howell stated that is where he stands, \$990.00. Esq. Loren Thomas stated he recommends going in the middle of what he had recommended and what Dr. Hatcher recommended, the county would pay \$1,111.82 that would leave the employee portion at \$300.00.

6-Yes 0-No 2-Absent Motion approved.

Motion made by Esq. Loren Thomas, said motion seconded by Esq. Bill Hensley for the County to pay up to \$1,111.82 on the family plan, up to \$520.00 on the individual plan, this includes the Humana Gold and Silver plans for the fiscal year 2013-2014; and the employees that have insurance elsewhere, (through a spouse or a private company), not through the county, and must show proof to the County Mayor's Office may then be refund \$200.00 a month; they can not just drop county insurance and have \$200.00 a month. Mr. Manful asked the commission if they were going to continue to offer both the Gold and the Silver plan. If so the way you have chosen to fund this, even if I have family coverage on the Silver, I would pay nothing for family coverage. Esq. Mickey Hatcher stated if we do it doesn't matter we would have to go back and revisit this because you said we would have to be able to set up an account for them, and nobody has even seconded that motion so I assume that was out. Mr. Manful stated that is incorrect, you can choose not to fund the Health Savings account, you can still offer it to your employees if they would like to do that. Esq. Mickey Hatcher stated we don't have to take any action to offer it do we. Mr. Manful stated he just wanted to make sure this was still on the table. Esq. Dwight Bennett stated that is why he made the motion on the other one, to give the individual, which they wanted last year, for them to have an option to pick, one or the other. Mr. Manful stated you have chosen not to fund the Health Savings account, it would be up to the individual to put money into their Health Savings account, they will have an option to choose between plan A and plan B. Esq. Kenneth Garland asked about the \$200.00, how are you going to budget that. Esq. Loren Thomas stated there are only a handful of county employees that have health insurance through their spouse or through military service or whatever. Esq. Kenneth Garland stated you might have more that wants the \$200.00. Esq. Loren Thomas stated we are not going to let them have it. Esq. Bill Hensley stated you can't get it unless you have insurance. Esq. Loren Thomas stated just to clarify for the employees, if you go with the Silver Plan both the individual and family cost to you would be zero, but it is a high deductible. Esq. Mickey Hatcher stated you would have the option to put money into the Health Savings account through out the year and would have it to go towards the deductible. County Attorney Doug Shults stated we want to understand all of this is fiscally something that will save

the county money. We do need to get an opinion from the auditor, so we may come back saying you can't do this financially. Esq. Dwight Bennett stated it would be addressed when the auditor tells us we can't.

6-Yes 0-No 2-Absent Motion approved.

Addendum to the Agenda Item #3

Extend Dissolution deadline for Unicoi County/Erwin/Town of Unicoi, Animal Shelter Inter-local Agreement deadline for 3 months if necessary (until October 1, 2013)

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. James Howell to extend dissolution deadline for Unicoi County/Erwin/Town of Unicoi, Animal Shelter Inter-local agreement deadline for 3 months if necessary. County Mayor, Greg Lynch addressed the commission stating because the city has pulled their funding from the animal shelter, the actual inter-local agreement came into the picture because they have to do that before their budget year starts. This would allow ninety more days to work this out. Mayor Lynch stated the problem is the Town of Unicoi would have to do the same thing at some point. Mayor Lynch stated there has to be something in writing, therefore he makes the recommendation to table it or to go ahead and vote to allow it. It just gives us more time to get this, and it may not even matter, but I would rather have in hand than not. Esq. Kenneth Garland stated the animal shelter is the best thing we have ever done in this county and I have never voted for a property tax as long as I've been here in sixteen years, but I'd be willing to vote for a two cent tax to keep the animal shelter open. Esq. Kenneth Garland continued by saying he wouldn't even consider closing it, too many people have worked on the animal shelter. Esq. Dwight Bennett stated it may not come to that, but if Erwin did withdraw their funds, we may have to come back and ask for some more funds. The first thing we would do is sit down and redo our budget to see how we could change our operations to meet the necessities for this coming year at least. Esq. Kenneth Garland stated he doesn't want people to think we are going to close it. Esq. Dwight Bennett stated the County and Town of Unicoi are fine, if we have to operate it on our own, that's what we will do. Esq. Loren Thomas stated he would like to see all three entities pay their far share.

6-Yes 0-No 2-Absent Motion approved.

Agenda Item #11 Explanation of Payroll Changes (information only)

County Mayor Greg Lynch stated that Mrs. Phyllis Bennett could explain it; this is just to give employees and office holder's information as to why they will be receiving paychecks on Tuesdays. Mrs. Phyllis Bennett addressed the commission stating the biggest thing is they have been receiving time sheets on Friday and we get paid on Friday. Payroll is run on Thursday, so if there are changes on Friday payroll has to be adjusted. The plan is to work for them to work the week through that Friday, the office holders turn it in to us no later than Monday morning, we will run the payroll that day and checks will go out on Tuesday. Mrs. Bennett stated they have checked with audit. Esq. Dwight Bennett stated what has brought this on is where people were getting paid after they had quit, say they quit on Wednesday they would get paid for two days. The budget committee brought this up and discussed it with Mrs. Bennett, that's what we decided. Instead of holding every employee back a week, this is what was decided. Esq. Mickey Hatcher asked if this was a compromise. Esq. Dwight Bennett stated yes. Mayor Lynch stated this is on a Tuesday payday the next step we could make this Friday. We would have to find out later down the road if we could do that. Mayor Lynch stated if we went to that, we could actually go to the direct deposit. Esq. Mickey Hatcher stated it is

good information to have, with it being payroll and employees, certainly may want to get together and agree on a policy that work for payroll and do whatever is necessary. Mrs. Bennett stated another thing is with this option it is the only way to get twenty-six pay periods in next year. Sheriff Mike Hensley stated the way it is set up now, families are use to having their payday on Friday and have everything built around that. This is going to complicate things for a lot of people. Sheriff Hensley continued by saying he understands both sides. It's going to become a hardship on a lot of people. Esq. Mickey Hatcher asked the County Mayor if a meeting could be set up with these department heads and talk it out and see what you can come up with. Mayor Lynch stated we can't go back, but we can move forward to next time. Esq. Mickey Hatcher stated you all get together and discuss that and see if there are other ways that you might approach this.

Agenda Item #12

Reappointment of Todd Love to Hospital Board

Motion made by Esq. Kenneth Garland, said motion seconded by Esq. Loren Thomas to table the reappointment of Todd Love to the Hospital Board. Esq. Mickey Hatcher asked if it is really necessary to reappoint at this time. Esq. Loren Thomas stated as far as he knows, yes. The hospital board will continue to be as is. Esq. Mickey Hatcher stated it doesn't run out until October 22, Mrs. Sue Jean Wilson runs out October 22 too, and I don't see that on here. I don't see why we would do one without the other. They are a month ahead of time I would prefer to table it. Esq. Dwight Bennett stated me too, and the reason is if the Attorney General doesn't approve it, that might change the way I vote on it.

3-Yes

2-No (Esq. Dwight Bennett and Esq. Mickey Hatcher)

1-Abstain (Esq. James Howell)

2-Absent

Motion failed.

Agenda Item # 13

Consider Resolution concerning transfers from Debt Service

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. James Howell to approve the Resolution concerning transfers from Debt Service. Esq. Mickey Hatcher stated this is to transfer \$2,000,000.00, and that's not to take it all in one lump sum, is that correct.

6-Yes

0-No

2-Absent

Motion approved. (Copy in file)

Agenda Item #14

Consider Resolution- Litigation Tax

Motion made by Esq. Kenneth Garland, said motion seconded by Esq. Loren Thomas to approve the Resolution on the Litigation Tax.

5-Yes

1-No (Esq. Kenneth Garland)

2-Absent

Motion approved. (Copy in file)

Agenda Item #15 Consider Resolution- Litter Grant

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. Loren Thomas to approve the Resolution on the Litter Grant.

6-Yes

0-No

2-Absent

Motion approved. (Copy in file)

Agenda Item #16
Committee Reports

County Mayor Greg Lynch stated there would be a budget meeting on Tuesday, July 2, 2013 at 5:00pm.

Agenda Item #17 Budget Amendments

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. Bill Hensley to approve the budget amendments all together; County Mayor (\$500.00), Election Commission (\$65.00), Other Finance (\$5,00.00), Circuit Court (\$5,200.00), Session Court (\$3,700.00), Sheriff's Department (\$28,489.00), Civil Defense (\$550.00), Sheriff's Department Drug Fund (\$1,1763.00), Debt Service (\$1,920.00), Rabies and Animal Control (\$8,275.00), and Sheriff's Department (\$50.00).

6-Yes

0-No

2-Absent

Motion approved. (Copy in file)

Agenda Item #18

Motion for adjournment

Motion made by Esq. Dwight Bennett, said motion seconded by Esq. Loren Thomas to adjourn the meeting of June 24, 2013

GREG LYNCH, COUNTY MAYOR
MITZI BOWEN, COUNTY CLERK
DR. JAMES M. HATCHER, CHAIRMAN